

From the Desk of Brandon Seitz:

With the legislature in session, it's a busy time here in Indianapolis. There are a number of bills making their way through the process, addressing energy-saving solutions for Hoosiers. The primary piece of legislation revolves around continued implementation of the Hoosier Homegrown Energy plan ([link to the plan](#)).

The bill deals with a variety of issues. It would extend the existing Clean IN Energy state tax credits to non-utility energy producers using Indiana feedstocks to produce electricity, synthetic natural gas and liquids. Remember, we're not just talking coal, but other fuel sources like biomass and oil shale. Again, the energy projects will help Indiana become more energy independent and will produce economic development.

Promotion of the use of inputs other than grain in the production of ethanol is very important. That's why the legislative measure includes \$20 million in post production tax credits for the first cellulosic ethanol plant to be built in Indiana. Right now a Canadian facility is the only cellulosic plant in the world. Indiana needs to attract the second.

Energy efficiency is a very important part of our state's strategic energy plan. This legislation includes tax credits for homeowners and small businesses that invest in Energy Star rated heating and cooling equipment, including programmable thermostats and high efficiency furnaces, water heaters and air conditioners.

In order to promote the use of renewable energy sources, the bill includes a provision for tax credits of \$2,500 per household and \$5,000 per business for the purchase and installation of such systems as geothermal heating and cooling and wind turbines. This program would be capped at \$2 million per year.

Under the plan OED would administer a biomass grant program that would provide cost share grants to projects that use anaerobic digestion, gasification and fast pyrolysis technologies. The grants would be competitively awarded and would pay up to 25 percent of the cost of a project, up to \$250,000. This program is geared toward the agriculture sector, and OED would work closely with the Indiana State Department of Agriculture on this initiative.

This bill also gives funds to Purdue's TAP Industrial Energy Services Program. This portion of the University's Technical Assistance Program continues to provide energy efficiency education and outreach to large industrial and commercial energy consumers.

An investment of \$600,000 per year and the resulting energy savings will have the following impact:

- The state will avoid building one baseload power plant after 2016.
- Indiana companies will reduce their energy expenditures by \$6.5 million per year.
- Awareness and training programs will reach 900 Hoosier workers each year.
- The release of more than 250,000 tons of carbon dioxide will be avoided each year.

Comment [D1]: Not clear here—these are the expected outcomes of the proposed \$600,000 investment in the legislation? Please clarify.

Indiana's industrial sector consumes nearly 50 percent of all energy consumed in our state. That's why this plan includes a tax credit/grant program aimed at paying back, to some degree, energy efficiency programs launched by manufacturers or businesses that fall into this category. Guidelines will be created by OED with the assistance of the Purdue TAP program, verifying energy and cost savings before and after implementation.

All of these initiatives directly support the state's strategic energy plan and show Governor Daniels' and Lieutenant Governor Skillman's commitment to a responsible energy policy. They also show a commitment to programs and projects that have an immediate, positive and far-reaching impact on economic development in Indiana.

There are a variety of other energy-related issues being discussed in the legislature, including support for the Coal-to-SYN Gas project now under way.

Events on the horizon: The Indiana Energy Efficiency Summit will be held in Indianapolis on February 12 at the Westin Hotel. More information and a link to registration for this free event is [here \(link\)](#). Another of the popular Combined Heat and Power workshops is coming up in May. We'll have more information on that in coming months.

Watch our Web site as it evolves over the next few months. We're adding podcasts with information about our programs that you can download to your mp3 player! Make sure you're signed up to hear about [updates \(link\)](#).

Comment [D2]:

Comment [D3R2]: Is this updates from OED? Would you also push people to sign up for energy updates (it's one of the topics they can choose) through the lg's Web site? Thanks.